IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPLICATION NO.118 OF 2002

The Commissioner of Income Tax
Bombay City-=XI, Bombay .. Applicant.

V/s.

K.N.K. Ship Management Pvt.Ltd. .. Respondent.

Mr.A.M. Kotangale for the applicant.

None for the respondent.

CORAM : DR.S. RADHAKRISHNAN &
J.P. DEVADHAR, JJ.

DATED : 16TH JANUARY, 2007.

P.C. :

1. Heard the learned counsel for the applicant.

2. In the above application, the applicant raises issue with regard to levy of interest under Section 201(1A) of the Income Tax Act. The said issue has been dealt with by the Income Tax Appellate Tribunal holding that the assessee followed the guidelines for preparing No.16. In that behalf, the findings of the Income Tax Appellate Tribunal are in para 13, which reads as under :

> "..... We have noted that this was the first year of the assessee's business. Assessee followed the guidelines for preparing No.16 of the Shipping Corporation of India, where similar allowances were

> deducted from the salary. The fact that CIT(A) considered the merit of some of the items and allowed it, suggests that assessee could have laboured such belief."

3. In view of the above finding of fact, we do not find any substantial question of law involved in this application.

4. The application is, therefore, dismissed with no order as to costs.

(DR.S. RADHAKRISHNAN, J.)

(J.P. DEVADHAR, J.)